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TO RUEHC/SECSTATE WASHDC 4702
INFO RUEHKL/AMEMBASSY KUALA LUMPUR 0726
RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

UNCLAS BANDAR SERI BEGAWAN 000272

SENSITIVE

SIPDIS

STATE PASS FOR EAP/MTS/COPPOLAMG
KUALA LUMPUR FOR FAS/COTTRELLD

E.O. 12958: N/A

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SUBJECT: U.S. INTEREST IN BRUNEI'S AQUACULTURE INDUSTRY

SUMMARY

¶1. (SBU) Embassy Commercial Assistant met with Dr. Sergio F. Nates, President of the Fats and Proteins Research Foundation (FPRF), National Rendering Association (NRA) and Victor Suresh, Director of Nutrition & Feeds, Integrated Aquaculture International (IAI), for an update on U.S. interest in the aquaculture industry in Brunei. Since 2006, IAI has been working with Brunei's Department of Fisheries (DoF) to develop black tiger shrimp for export. However, Brunei's capacity for large scale shrimp export is limited. A better field for development is in fish and high performance feed.
End Summary

U.S. IS PART OF BRUNEI'S AQUACULTURE INDUSTRY

¶2. (SBU) In 2006, Integrated Aquaculture International (IAI) and Brunei's Department of Fisheries (DoF) entered into a 3 year contract to develop advanced aquaculture technology. The contract's goal is to produce large black tiger shrimp for export, in particular specific-pathogen-free (SPF) and genetically-improved post larvae. In addition, IAI and DoF hope to develop high-performing feeds and sustainable farming systems that produce shrimp for premium markets. In the 3-year period, IAI has upgraded DoF facilities, including the establishment of an advanced diagnostic lab. IAI has also established SPF blue shrimp as founder stock for an ongoing breeding program. Black tiger shrimp have been developed as potential SPF status. IAI is working on a selective breeding program while feeding and nutrition experiments are in various stages of development. IAI's Director of Nutrition and Feeds, Victor Suresh, disclosed that IAI's contract with DoF is currently under review for renewal for an additional three years.

WHAT THE FUTURE MIGHT OR MIGHT NOT BRING

¶3. (SBU) Sergio Nates of Fat and Protein Research Foundation (FPRF), was in Brunei to assess the DoF's facilities. FPRF funded the IAI/DOF research project and is evaluating additional funding of USD60,000 for a second research project. FPRF works closely with both IAI and the Global Aquaculture Alliance (GAA). Commenting on the Brunei Government's recent venture, a USD5.4 million Eco Aquaculture Park, Suresh noted that Brunei is on the right path by focusing on the fish industry. The country does not have sufficient land for a productive shrimp industry. It would be more feasible for Brunei to concentrate on the export of shrimp broodstock and high performance feed.

¶4. (SBU) About U.S. based Darden Restaurant Inc's recent discussions with DoF for possible supply of black tiger shrimp; Nates commented that it was a courtesy on the part of Darden. He added that Brunei will not be able to meet Darden's operational demands. (Note: Bill Herzig of Darden is also board member of GAA. End Note.) Nates also stated that Dr. Peng Li, Asian Director of the NRA will visit Brunei in January 2010. Dr. Li, an expert in aquaculture nutrition, will

view IAI/DOF facilities and meet DOF officials. It looks likely FPRF will continue to work with IAI and DOF on research into high quality feed and SPF shrimp.

TODD